

**(Received via email)**

From: Mary Ann Musselwhite [maryannm@mcids-ks.org]  
To: rulecomments; oiradocket@omb.eop.gov; grassroots@nish.org  
Sent: Tue 1/11/2005 3:53 PM  
Cc: Sherry Plenert  
Subject: Docket #2004-01-01

Please find attached comments to Docket #2004-01-01

If you are unable to read the attachment, please let us know and we will send it another manner.

Thank you

Mary Ann Musselwhite  
Executive Secretary

January 11, 2005

**Comments regarding Committee for Purchase Proposed Rule  
on Executive Compensation and Other Governance Matters  
DOCKET # 2004-01-01**

In regard to the Committee for Purchase Proposed Rule on Executive Compensation and Other Governance Matters, please take into consideration the following concerns, which I feel would have an unfavorable impact on small non-profit organizations like MCDS Federal Contracting, Inc.

I think certain criteria needs to be in place to determine which organization should fall under said certification is there is a vast difference between a very small organization and a very large one. Perhaps gross income should determine who would be under the proposed changes.

I will use our organization as an example. Our total contract is for \$450,000 and with a total of ten (10) employees, eight (8) of these individuals having disabilities. Our contract only allows for 9.5% of the \$450,000 to go to administration (\$42,750.00), which is contracted with Multi Community Diversified Services, Inc. We have no direct cost for a CEO or Executive Director. Multi Community Diversified Services, Inc., for the 9.5% must provide accounting, payroll, personnel, CEO leadership, and Christmas bonuses to the MCDS Federal Contracting employees and other expenses not covered by the contract. So, at best, our contract is break even. WE continue to do this because we believe in our mission statement of providing employment for the disabled.

MCDS Federal Contracting, Inc. has a non-profit board, consisting of six (6) members. We do not have an audit committee, however Multi Community Diversified Services, Inc., has an independent auditing firm do an annual audit, which is paid for out of the 9.5% for administration.

The MCDS Federal Contracting, Inc. Board does not have a CEO or Executive Director to develop evaluations for.

MCDS Federal Contracting, Inc., with only ten (10) employees and five (5) board members has never had a conflict of interest problem, however, this is an area that is addressed in every annual audit.

Our board does not change on a certain schedule. We have elections every October. However, board terms are unlimited, while the terms of officers are limited. We feel fortunate to have a board that understands our business and is willing to serve because they believe in our cause.

MCDS Federal Contracting, Inc. Board members do not review and validate all IRS Form 990's and all attachments, as that is not a function of a non-profit board member. MCDS Federal Contracting, Inc., contracts this with Multi Community Diversified Services, Inc., who has a CPA on staff, that completes the 990s, and our annual audit monitors said transactions, there again, out of the 9.5% allowed for administration.

The MCDS Federal Contracting, Inc., board consists of an ophthalmologist, an insurance agency owner, a bank loan officer, a retired businesswoman, and a member whose son is disabled. I don't know if you would consider one a financial expert, however, Multi Community Diversified Services, Inc., who MCDS Federal Contracting, Inc., contracts with has two CPA's working on MCDS Federal Contracting business, again under the 9.5% of the contract allowed for administration.

The Board meeting minutes are available for anyone that requests to see them, however, we cannot afford to publish them and see no need to do so.

In conclusion, I want to thank you for the opportunity to express our concerns and hope that you understand the vast difference between large and small non-profit organizations.

I understand your intent is not to retard or place unnecessary obstacles on small non-profits, who are providing a service they believe in, however my fear is that is what you will unknowingly be doing. Thanking you for your consideration, I remain.

Sincerely,



Sherry L. Plenert, CEO

**Sherry Plenert, CEO**

**Board of Directors: Larry Schmidt, Chairman; Mary Whelpley, Vice Chairman; Jean Anderson, Secretary/ Treasurer**  
**Board Members: Carlton Spencer, Dr. Jerry Leopold**